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# **CURRENT STATE OF THE CUSTOMS SYSTEM OF THE REPUBLIC OF UZBEKISTAN**

Abstract: This article examines the current state of the customs system of the Republic of Uzbekistan, reforms in the customs administration, the work carried out on the development of the sector, the work carried out on the training and development of personnel, international cooperation and prospects for the development of the sector. issues have been considered.

Key words: Customs service, reforms in customs administration, regulatory legal documents, customs payments, foreign economic activity, customs control, «gross» customs inspection, risk management system, international rating of «doing business», «international trade» indicator, customs value, smuggling, industry development, «export» regime, information system, electronic programs.

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## Introduction

The reforms implemented by the initiative of the President of the Republic of Uzbekistan Sh.M. Mirziyoev to improve the welfare of the population through the economic and social development of our country are highly recognized not only by our people, but also by the international community.

The result of the implemented changes can be seen in the international rankings, our achievements in science, education, sports, culture, economy and other fields. Important reforms are being carried out in terms of liberalization of business activities, attraction of foreign investments, development of competitive products with high added value and increase of export potential.

In particular, the decree No. PF-122 dated April 27, 2022 "On additional measures to further improve the customs administration" defines the reforms to be implemented in the customs system of the Republic of Uzbekistan in the near future, which means that the selected topic is relevant today.[1]

## Analysis and discussions.

Currently, the customs system of our country is developing rapidly. More than 140 normative legal documents were adopted within the framework of the main priority tasks set by President Sh.M. Mirziyoev on the reform of the customs administration, including 7 laws, 14 presidential documents, 40 decisions of the Cabinet of Ministers and 81 departmental decisions of the Customs Administration. [4]

Recently, a number of practical works have been carried out in this regard, including the creation of a mechanism to request documents for customs clearance only in electronic form and only in case of doubt; the weight of documents in the clearance process has been reduced; all books kept for the registration of goods and transports were abandoned;



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the requirement to submit reports to customs authorities was canceled; the requirement to submit an expert opinion on the TIF TN code, which was required to be submitted at each formalization, was cancelled; the system of automatic registration and automatic distribution of customs cargo declarations was introduced (before it took 2-3 hours for customs clearance, now this process is carried out in 1-2 minutes); online transfer of customs payments through mobile-banking service was established, making it easier for participants of foreign economic activity to make relevant payments; From 2019, the "Risk Management" system based on selective inspection was introduced in customs control, abandoning the "gross" customs inspection of goods and transport; as a result, the clearance time was reduced by 3 times in export and 2 times in import, and the number of inspections decreased by 1.4 times and efficiency increased by 1.5 times.

The above-mentioned reforms were recognized by international experts, and Uzbekistan rose 13 places in the "International Trade" indicator of the "Doing Business" international rating. As a result, in 2021, compared to 2016 (5.6 trillion soums), 6 times more, that is, 33.2 trillion soums. Soum customs fees were collected.

Also, with the help of the created systems, negative situations such as lowering the customs value, incorrect application of benefits, incorrect designation of the TIF TN code of goods or registration of goods under a different name are prevented.

In particular, in 2021, the amount of criminal cases initiated in connection with such cases decreased by 25% compared to 2018, but the value of the identified cases was 261 billion. to soums or increased by 3 times.

Today, Uzbekistan is strengthening its relations with neighboring countries. With the initiatives of our President, constructive and mutually beneficial cooperation with foreign countries, especially neighboring countries, has reached a new level.[2]

In this regard, in 2017, our President said from the rostrum of the 72nd session of the United Nations General Assembly that "Uzbekistan is a firm supporter of strengthening mutual dialogue, practical cooperation and good neighborliness...Peaceful, economically developed Central Asia is the most important goal and main task that we strive for." ", he said, strengthened the relationship even more. Also, at the next consultative meeting of the leaders of the Central Asian countries, which took place on August 5-6, 2021 in the national tourist zone "Avaza" in Turkmenistan, they noted that as a result of our common political will and joint efforts, our region is becoming a place of good neighborliness, mutually beneficial cooperation and sustainable development.

It should be said that in 2021, the foreign trade turnover of goods with neighboring countries will amount to 6.2 billion dollars, compared to 3.6 billion dollars in 2016. per dollar or increased by 2.4 times.[4]

In particular, the volume of goods exported from Uzbekistan to neighboring countries is 1.2 billion. increased by 77% to 2.6 billion dollars. In order to further expand the circulation of goods in this regard, it is necessary to further improve the infrastructure of our border posts with neighboring countries. For this purpose, the border posts "Ayritom", "Olot", "Yallama", "Fergana", "Gishtkoprik" were equipped with the world's most advanced technologies.

Currently, customs posts are equipped with modern inspection complexes, X-ray machines, radiation portal devices, video surveillance cameras, body scanners, vehicle scales, and a vehicle license plate identification system is installed.[8]

"Ayritom" border customs post, which plays an important role in the rapid development of trade and economic relations with Afghanistan and the countries of South Asia, and is considered the only transfer point between the two countries, was reconstructed and equipped according to international standards.

As a logical continuation of the reforms implemented in the customs sector, the customs authorities have entered a new stage with the President's Decree No. PF-6005 dated June 5, 2020.[3]

With this decree, the Concept of reforming and improving the efficiency of the customs administration in 2020-2023 was approved and the most priority and main directions of activity were determined.

Currently, within the framework of the Concept, 23 regulatory legal documents, including 6 Laws, 2 Presidential Decrees, 10 Cabinet Decisions and 5 departmental documents, and 12 automated information systems have been developed.[9]

In this case, the simplified procedures for the clearance of goods based on the level of honesty of entrepreneurs, the implementation of customs audits after the release of goods, the reduction of the total time spent on declaration, the creation of an opportunity to evaluate the service of customs offices by the TIF participant were carried out.

Currently, as a result of the improvement of the "Risk Management" information system, more than 76 percent of cargoes are cleared in a simplified manner, only 24 percent of cargoes are inspected.[7]

According to the data of the European Economic Commission, more than 34,000 transport and logistics companies will use the capabilities of the eTIR international system in the future, this system will allow to reduce the time of cross-border transportation by 92%, and costs by 50%.[6]

In order to increase the transit potential of our country, the eTIR project was first launched between Uzbekistan and Kazakhstan in November 2020 as a test, and since May 2021, it has also been used for



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transportation between Uzbekistan and Tajikistan.[5]

In the future, this project is planned to be implemented in the transportation between Uzbekistan and Pakistan, Iran, China, Kyrgyzstan, Georgia, Azerbaijan, Turkey. This international project serves the interests of all entrepreneurs equally by facilitating the acceleration of foreign trade by easing customs clearance.

Another achievement and relief in the field - in order to reduce the time and costs of entrepreneurs in the customs clearance process, the "Single window" customs information system for electronic receipt of permit documents was developed and put into practice.

In the process of liberalization of foreign economic activity, this information system was an important step in improving the efficiency of not only the customs sector, but also phytosanitary, sanitaryepidemiological, veterinary, environmental control and certification bodies.

In addition to the reduction of the number of permits required by state agencies and the terms of their issuance, these processes have been completely digitized. In addition, entrepreneurs were given the opportunity to obtain permits and certificates required for export-import operations from their offices, on the website www.singlewindow.uz. Today, in order to gradually cover all procedures related to foreign economic activity in the "One Window" system, which is considered the largest electronic service in the field of TIF, the procedure for issuing 60 authorization documents of 12 bodies has been introduced.

Today, in order to digitally transform the customs sector, further reduce the human factor in customs and cargo operations, and create a system based on the principles of openness, transparency, and reliability, a draft Development Strategy of customs authorities for 2022-2025 has been developed. In this strategy:

- introduction of a qualitatively new system for the training of personnel with high intellectual and professional knowledge, moral and moral level;[10]

- creating more favorable conditions for entrepreneurs and encouraging them;

- introduction of new generation information systems based on new working methods and mechanisms, risk management, in-depth study of advanced foreign experiences;

- organization of customs and cargo operations in logistics processes based on the principle of accuracy, reliability, transparency, application of best practices and standards in increasing the transit potential of the country;

- organization of imperceptible customs control for law-abiding entrepreneurs;

- special attention was paid to the issues of aligning the infrastructure of customs authorities with advanced practices and standards, and further

strengthening the social protection of employees.

Currently, based on the idea that "our people should serve the people, not the government agencies, the government agencies should serve the people", the customs authorities have become closer to the population and entrepreneurs and become their real helpers.[15]

In particular, on the basis of decisions taken by our state to support entrepreneurship, a total of 38.2 trillion will be paid to entrepreneurs in 2021. benefits in the amount of soums were applied. That is, 3.7 trillion. delayed payment of customs fees in the amount of soums was allowed. This indicator has increased by 2.1 times compared to 2019.[4]

In order to further support entrepreneurs based on the initiative of the customs authorities, in accordance with the decision of the Cabinet of Ministers, local exporting organizations have now been given the opportunity to directly sell to a third country without importing products from a foreign country. With this decision, the requirements for using the processing regime in the customs territory have been simplified. This serves to increase the number of new jobs and increase the volume of exports.

Another important innovation in the field is the introduction of the Institute of Authorized Economic Operators in order to encourage entrepreneurs who comply with customs regulations.

Today, 35 entrepreneurs have this status and are making delayed payment of customs fees, unloading goods directly into their warehouses, customs clearance and control in a simplified manner.

At present, the employees of the customs authorities are actively participating in the socioeconomic development of the regions, increasing the well-being and employment of the population, showing kindness and social activities as public servants.

During the visit of the President to the regions, charitable activities such as reconstruction of MFY buildings and homes of needy citizens, construction of children's and sports grounds, beautification of the areas, provision of material assistance, donation of household and computer equipment are being carried out on the basis of initiative in the regions attached to the customs authorities.

If we talk about the reforms being carried out in the field of personnel training and qualification improvement, the most important condition for the quality and efficiency of customs work is the training and qualification improvement of customs officials.[15]

Fundamental changes were also made in the specialized higher education and scientificmethodological institution of this direction - the Customs Institute. Training, retraining and upgrading of employees, scientific-research issues in the field are being comprehensively implemented in a new content and form at the institute. Currently, the institute is



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preparing bachelors in the specialties "Customs work" and "Jurisprudence" (legal provision of economic security) and masters in the specialties "Customs work" and "Tax and customs law" in two stages.

Higher courses of "Customs Management" with a duration of 3 months have been introduced for the training of managerial personnel.

The National Cynology Center of the State Customs Committee has literally become the main educational center for training cynologists and service dogs in the Central Asian region. The activities of the center have been highly recognized by the UN, the World Customs Organization and many other international organizations, and the World Customs Organization has given it the status of a regional canine center.

Today, the center trains representatives of the canine services of foreign countries in the selection, purchase, breeding and maintenance of service dogs for the canine services of the republic and foreign countries, as well as within the framework of international projects.

Based on international experience, the center provides training in 11 areas (search for narcotic drugs, psychotropic and powerful drugs, weapons, ammunition and explosives, currency values, search for tobacco products, tracking, security guard service, search and rescue service, counterterrorism, plant and plant seed search directions).

Currently, the procedure for training cynologists, training and selling dogs, selling unserviceable dogs, and providing paid services for veterinary treatmentprophylaxis and laboratory-diagnostic work to individuals and legal entities has been established.

Breeding, purchase, sale and exchange of purebred service dogs has been established within the framework of cooperation programs with public organizations in the field of cynology and cynological services of the republic and foreign countries .[11]

Today, a number of activities are being carried out in the field of international cooperation.

Customs reforms require the study of the best experience of international organizations and foreign countries, as well as the establishment of information exchange and cooperation in smuggling, statistics, currency, customs control and other areas. This situation, in turn, gives an opportunity to get real information about all goods destined for Uzbekistan and put an end to various violations by analyzing them.[12]

In 2021, several bilateral agreements were signed to strengthen cooperation with the customs services of foreign countries:

5 international documents were signed with the Russian Federation, 3 with Kyrgyzstan, 1 with the Islamic Republic of Pakistan, 1 with Turkey, 1 with the Republic of Korea, 1 with the World Customs Organization, and 1 with the People's Republic of China, totaling 13 international documents. Currently, work on signing international documents in 6 directions of customs work with 10 foreign countries (Turkey, Russia, Kazakhstan, Kyrgyzstan, Turkmenistan, Belarus, Iran, India, Austria, Latvia, Italy, Canada, USA, Thailand, Vietnam, Singapore) is increasing.[14]

Also, international cooperation in the field of customs is consistently developing within the framework of cooperation with prestigious international organizations such as World Customs and Trade Organizations, European Union, Shanghai Cooperation Organization, Eurasian Economic Union.

The Republic of Uzbekistan is a member of 21 international conventions related to international customs practices in order to bring the customs service closer to world standards.[13]

In particular, in 2020, Uzbekistan's accession to the internationally recognized documents in the field of foreign trade - the Kyoto Convention on the Simplification of Trade Procedures and the Istanbul Convention on Temporary Importation - will serve to further increase the attractiveness of the business and investment environment in our country.

The practical aspects of increasing the capacity of customs authorities based on the introduction of international standards, equipping their posts with modern complexes and equipment, strengthening the fight against violations, and expanding cooperation in training specialists in leading centers abroad occupy a key place in the relations between Uzbekistan and the World Customs Organization.

More than 140 international contracts and agreements were signed as a result of the issues agreed upon during the visits of the Secretary General of the World Customs Organization Kunio Mikuriya to Uzbekistan and effective cooperation with the SCO, CIS and other foreign countries and organizations.

## Conclusion

In conclusion, it can be said that it is expedient to gradually carry out the work that should be carried out in the future in the customs system. That is:

- review of the activities of the structures of customs authorities, redistribution of states based on the analysis of the volume of work, gradual establishment of remote clearance customs posts, which provide for formalization of declarations without entering into dialogue with entrepreneurs;

- Development of interdepartmental National risk management information system within the framework of the "Risk Management" information system and summing up the risk indicators of all controlling agencies related to foreign economic activity;

- review of all information programs used in customs offices, elimination of factors that duplicate each other and cause inconvenience to entrepreneurs;

- It is considered appropriate to introduce a single electronic platform of service to entrepreneurs



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based on the "Single Window" customs information system, which includes contract registration, goods clearance, transport-logistics and other services related to TIF.

In a word, further improvement of customs administration, implementation of international norms

and standards into national legislation, digitization of the industry, establishment of intellectual management - serve to further strengthen the country's economic stability, increase its investment potential, and create a favorable business environment for foreign economic activity.

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